



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

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GOVERNOR

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COMMISSIONER OF ADMINISTRATION

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OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2000-28

TO: All UPS Agencies

FROM: Ronald S. Mitchell
Director

SUBJECT: Tax Shelter Year-To-Date Report (BL1507-01)

A new Tax Shelter Year-To-Date report has been created and produced for pay period 11/01/99 – 11/14/99. The Tax Shelter report should be used to determine if RT12, RT20 and other TS tax shelter calendar year limits have been or will possibly be exceeded. Currently the deferred compensation (Section 457) maximum is \$8,000.00 or 25% of the employee's adjusted gross wages. An exception is granted only for employees on a "catch-up" plan within three years of retirement. Other tax shelters [501(c) and 403(b)] also have maximum amounts that should not be exceeded.

The Tax Shelter Report (BL1507-01) will include employee's name, social security number, tax shelter or retirement code, calendar year-to-date gross wages, calendar year-to-date federal taxable wages, tax shelter pay period deduction amounts, month-to-date retirement deduction amounts, and calendar year-to-date withheld amounts. The report will be sorted by control number, PRN, employee name and social security number. The report will be produced each payday and can be viewed in BUNDL. The report description in BUNDL is "Tax Shelter Report". A copy of the report was distributed along with the other payroll reports for pay period 11/1/99 – 11/14/99.

Agencies should begin reviewing this report to avoid possible W-2c's. If an employee has exceeded or will exceed the maximum prior to the end of the year, the deduction should be stopped and, if necessary, a refund should be processed. Agencies must contact the vendor prior to stopping a deduction or refunding a prior deduction.

Questions regarding Section 457 maximums should be directed to Louisiana Deferred Compensation at (225) 926-8082. Questions about maximums for other tax sheltered amounts [501(c) and 403 (b)] should be directed to the vendor who the employee has the deduction with. Any additional questions should be directed to the UPS Help Desk at (225) 342-8928.

RSM:CDM:kmb